

RISE AND SHINE

Felipe Rubio joined PACCAR Australia as General Manager of DAF Trucks in November 2018.

The DAF Trucks division of PACCAR Australia has been noticeably emerging from the giant shadow cast by its stablemate Kenworth. In February 2020 DAF launched a comprehensive new range of its Heavy Duty CF and XF models and has since, under the guidance of personable General Manager Felipe Rubio, increased the brand's share of an extraordinarily bullish Australian market.

Prime Mover: What is your industry background?

Felipe Rubio: My background is business

administration and marketing. I joined DAF back in 2006 and since then I have been working in different positions with increasing responsibilities in the finance, marketing and sales areas. My last assignment in Europe before coming to Australia was Fleet Manager for my home country Spain, where the Heavy Duty truck market of 22,000 units per year is roughly double compared with Australia. The DAF market share is about 13 per cent.

PM: What makes DAF attractive to operators and purchasers in Australia?

FR: I am very pleased about how DAF

has been progressing here. In 2020 we introduced our Euro VI XF and CF models with a lot of success and increased our market share from 3.4 per cent to a record 4.5 per cent. This year we had a slower start in January but since then we've been recovering, and I think we are in good shape to see some further growth for the remainder of the year backed by the strong demand we are experiencing for the Euro VI DAF product. I think DAF still has a huge potential in Australia. Our new Euro VI range has been a significant step forward as it has been proven to offer an excellent return on investment for our customers with lower operating costs combined with high quality and reliability and the full suite of safety features. Of course, drivers come first so they are very easy to drive and very comfortable. Another thing that is really helping us is the outstanding dealer network that we have which keeps investing in facilities, people, training and equipment to offer the best service and support to our customers.

PM: Is local manufacture a factor in the success?

FR: That's also helping. Local assembly of DAF trucks is giving us the opportunity to offer a more customised product in Australia and at this stage we are assembling trucks from kits that come in from Holland, with some locally sourced components. We can offer different horsepower ratings and some other options to our customers, but

we plan to progress towards offering more customisation such as different chassis lengths, wheelbases, fuel and AdBlue capacities, and rear axle ratios. We have a very successful blueprint right here with Kenworth, using local manufacturing to add more value for customers. That's the ultimate goal — listening to customers and leveraging local manufacturing and component sourcing where it can really make a difference for them.

PM: Is there much local input in Australian DAFs?

FR: Another advantage of manufacturing and assembling the DAFs here is it gives us opportunity to use our local engineering capacities to enhance or create products to suit different niche segments and different applications. As an example, in the fourth quarter of this year we will commence the assembly of our CF light weight twin steer model which is suited for the refuse market and other weight sensitive applications. Our engineers at PACCAR Australia have worked on changing the rear of the truck, the suspension and the axles. They have reduced the weight of the European based model by more than 500kgs which is massive. What is really good is this 8x4 model is unique for this market, so it won't be sold in any other parts of the world. It has been specifically designed and engineered in Australia and some of the components will be locally sourced.

PM: What are the main challenges at the moment?

FR: The main challenge is the whole

industry seems to be facing component supply issues and we haven't been immune. The shortage of some components, mainly microchips, necessary to manufacture trucks has caused some disruption and limited our capacity to ramp up production in Europe. Combined with an increasing demand for trucks in all core DAF markets globally this has led to much longer lead times. We are working hard to align our supply of DAF trucks from Europe to meet all of the demand we are experiencing in Australia. That's a big challenge. I have to say that DAF is being very proactive to work along this difficult situation but the threat to our production capacity is still there and it's really hard to predict how this is going to evolve. When demand is high we also see industry-wide challenges with delivery of trucks into the market including third party capacity constraints, shortage issues from their manufacturers' suppliers, not enough availability of labour and so on. Other challenges are the consequences of all the extended lockdowns in Sydney and Melbourne that we have been experiencing and what impact is this going to have on the economic activity and consumer confidence? That's another risk that we cannot ignore. There has been a shift in consumer behaviour with more spending on goods via e-commerce and that has increased the demand for trucks.

PM: What got you into the truck industry?

FR: That's a good question. At the beginning of my professional career I tried different industries but I have to say none



Felipe Rubio.

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PURE EXCELLENCE

of them really appealed to me. Then I started working with DAF without knowing too much about trucks to be honest. I was attracted more by the long history of quality products. It was refreshing working for a company where we all share the same passion to deliver the best quality products to our customers. I really love working in this industry. I think it's very vibrant and exciting and every day is different so in the end I find my job very rewarding. That is what's keeping me staying in this industry and not changing to something else. I don't have any intention of changing to a different job so I'm really happy doing this. I'm really enjoying working with Australians. They are very professional, practical and really focused on solving issues. All the people here are very friendly and supportive and the culture at PACCAR Australia is fantastic. I think that we are very fortunate to belong to an industry that is doing well in these times. 

New DAF XF and CF model line up.



Euro 6 DAF launch.

